

# State needs a real rainy day fund

A proposed constitutional amendment would force the politicians at the state Capitol to be more responsible with public money.

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**M**ost people in Wisconsin responsibly put a little money aside to protect themselves in an emergency or during tough financial times.

Maybe the car breaks down. Or maybe a spouse loses his or her job.

Having a sturdy "rainy day" fund protects families from unforeseen trouble.

Our state government has a rainy day fund, too. But it sat empty for years — even as tax revenues poured into state coffers during good economic times. State leaders spent what came in without building up a cushion.

So when the recession did hit, state government had little to fall back on. State leaders borrowed lots of money and were forced to make painful cuts. This included a big hit to education. Madison schools alone are losing more than \$15 million in state aid this year.

Rep. Mark Gottlieb, R-Port Washington, wants to avoid similar problems in the future. And his "Wisconsin First" amendment deserves strong consideration when a new Legislature takes office in January.

Gottlieb would ask voters to amend the state constitution to force state leaders to be more fiscally responsible. His plan would require the state to set aside at least a half percent of its tax collections every budget cycle. That would mean about \$130 million over two years.

## WHAT DO YOU THINK?

Should the Legislature let the public vote on a constitutional amendment tying state spending to personal income and creating a sturdy rainy day fund for future recessions? Send your views, 200 words or less, to [wsjopine@madison.com](mailto:wsjopine@madison.com) or to Letters to the Editor, P.O. Box 8058, Madison WI 53708. Please include your name, address and phone number for verification. A selection of responses, received by Wednesday, will appear in next Sunday's newspaper.

## READ THE GOTTLIEB PLAN

Rep. Mark Gottlieb's "Wisconsin First" amendment can be read along with an analysis by the Legislative Fiscal Bureau on the Port Washington lawmaker's Web site:

[www.legis.state.wi.us/assembly/asm60/news](http://www.legis.state.wi.us/assembly/asm60/news)



Gottlieb also would tie state spending to personal income growth. If state tax collections exceeded 6.5 percent of statewide personal income, everything above that threshold would go into the rainy day fund.

The money would build until the fund held 10 percent of the state's annual budget. Any revenue above that would be dedicated to property tax relief.

State leaders — notorious for raiding special

purpose funds for unrelated expenses — would be barred from taking money out of the rainy day fund unless:

- The economy went into recession.
- Two-thirds of both houses and the governor agreed to tap the fund.

Gottlieb's plan should not be confused with a past proposal by Republicans to tightly restrain spending by local governments. Gottlieb's "Wisconsin First" proposal is simpler and aimed directly at the state's troubled finances.

Ideally, state leaders would behave responsibly with public money on their own. But they haven't. The state has lurched from one budget fiasco to another — even back when the economy was doing well.

Gov. Jim Doyle has boosted the state's existing rainy day fund a bit. But to get by, he's also jacked up state borrowing and raided special funds that were supposed to be off limits.

Some Democrats worry about Gottlieb's plan restraining state spending during good years. But it also would have prevented the deep cuts to public schools that just occurred.

Gottlieb's plan may need refinement.

But the central goal of ensuring that state government is better prepared for the next recession shouldn't be forgotten or ignored when Wisconsin's economy comes back strong.